under the Licensing Policy for setting up of Industries. Government policies are being constantly reviewed and fine tuned to promote where possible industrial activity and employment generation in industrially backward regions.

Change in notification for sugar import

2318. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are favouring any changes in the notification governing import and export under the Advance Licensing Scheme for raw sugar import;

(b) if so, the details thereof;

(c) whether Government have also urged the sugar industry to strive for higher productivity at lower cost, achieve vertical growth by diversification and to give the best price to farmers; and

(d) if so, the response so far received in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes, Sir. The Government have issued Public Notice No. 34 dated 17.8.2007 extending the validity of export obligation period for the Advance Licence issued for dury free import of raw sugar. The said Public Notice can be accessed from DGFT *website: http://dgft.nic.in.*

(c) and (d) The Central Government advises the sugar industry from time to time at different fora to strive for excellence through modernization and technological upgradation to achieve higher productivity at lower cost as well as value addition to by-products by producing ethanol and cogeneration of power etc., and avail loans at the concessional rate of interest from the Sugar Development Fund (SDF) for the purpose. The sugar factories have been approaching the Central Government for sanction of SDF loans regularly. Besides, the Government also encourages cane development to improve the quality and timely availability of sugarcane, the basic raw material for the sugar industry, by way of advancing concessional loans from the SDF to the sugar factories, who, in turn, advance the same to their farmers. Further, the Government also provides grant from the SDF for research beneficial to sugar industry to research institutions so as to facilitate qualitative improvement in technology and solutions to problems faced by sugarcane farmers.

Decline in export growth

2319. SHRI SANJAY RAUT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that export growth is declining during the last two years and there is alarming situation for export growth;

(b) if so, the details thereof, indicating the reasons behind this situation and how much of impact have occurred over the current dollar rate against rupee in the market;

(c) the details of steps taken or proposed to be taken for export promotion;

(d) whether Government is proposing any plan for taking active support of the States for export promotion efforts; and

(e) if so, the details of the scheme and its *modus operandi*?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) There was no decline in export growth during the last two years. According to latest revised data, exports increased by around 23% in dollar terms during 2005-06 and 2006-07. However, according to provisional data available for the current year, export growth when compared with previous years has decelerated to 18 per cent in dollar terms and 6 per cent in Rupee terms during the period April-July, 2007. The current deceleration in export growth is influenced by the sharp appreciation in the exchange rate which has effected certain export sectors which are less import intensive.

(c) Export promotion is an ongoing endeavour of the Government and initiatives are taken from time to time in accordance with the Foreign Trade Policy and its Annual Supplements. In addition, during the current year the Government has announced a relief package to help neutralise the adverse impact of Rupee appreciation on exporters. This package comprises enhanced Duty Entitlement Passbook (DEPB) rates, reduction in Export Credit Guarantee Corporation (ECGC) premium, release of Rs.600 crore for clearing all arrears of terminal excise duty and Central Sales tax reimbursement, enhancement of duty drawback rates and reduction in interest rates on pre and post shipment credit.

(d) and (e) The Government recognises the importance of active support of States for export promotion efforts. In view of this the Government has operationalised a scheme for assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE). The Scheme consists of State Component with 80% allocation of total outlay and Central Component with the rest 20% of the outlay. The infrastructure projects for promoting exports are approved by the State level Export Promotion Committee headed by the Chief Secretary of the respective States. The projects under Central Component are approved by an Empowered Committee in the Department of Commerce. For the Eleventh Five Year Plan, an outlay of Rs.4450 crore has been proposed. An outlay of Rs.600 crore has been approved for this scheme for the current financial year, *i.e.*, 2007-08.

Tea estates lying closed in West Bengal and Kerala

†2320. SHRI MANGANI LAL MANDAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that in only two States *i.e.* West Bengal and Kerala in the country approximately 33 tea estates are lying closed for the last six years due to which thousands of families which depended on these tea estates are facing serious crisis of earning their livelihood;

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†Original notice of the question was received in Hindi.